The Washington Post

AN INDEPENDENT NEWSPAPER · THURSDAY, APRIL 6, 1972 PAGE A18

The ITT Affair: People Are Watching

Before the ITT hearings even got under way, Senate Minority Leader Hugh Scott gave it as his view that the Democrats "were on a fishing expedition up a dry creek." So it figures that he would continue to find the opposition party's interest in this matter to be a "form of jackassery." The same may be said for the ease with which Senator Hruska, for example, airily explains that it is common practice for big business to buy conventions, or for the compulsion of Senator Marlow Cook to blame everything on biased coverage by the press. The Senate's majority leader, Mike Mansfield, is a man to be taken a little more seriously, however, and when he suggests that two or three more witnesses ought to be enough to wrap up the hearings before the Senate Judiciary Committee and close the case, you have to wonder what part of the record in the ITT affair he has troubled himself to read or what sense he has of the current public mood. For the issue now goes well beyond the fitness of Richard Kleindienst to be Attorney General or even the propriety of the relationship between the U.S. government and ITT. The issue before the Judiciary Committee today, as its meets to consider a Republican motion to close down the ITT hearings, is nothing less than the ability of that structure of public and private institutions known as the "system" to examine—and police—itself. That, in our view, is what a lot of people wanto know and are waiting to see.

We would not argue on the basis of evidence so far presented, that Mr. Kleindienst, as a consequence of his role in the ITT affair, has been shown to be unfit to be Attorney General. Nor does it seem entirely plausible that the ITT antitrust case was settled out of court in a one-to-one exchange for a contribution to the Republican convention which, as these things go, could be considered as little more than a tip—a gesture of good will. All we would argue is that we have heard more than enough to know that there is a lot more to be heard, and many more than two or three witnesses to be heard from—leaving aside, as one apparently must at this stage, Mrs. Dita Beard, whose health permits her only to answer those questions which her lawyer or her doctor consider not to be "sensitive."

Consider, first, merely the bare bones of what we do know, beginning with Mr. Kleindienst's categorical assertion, in a public letter last December to Lawrence O'Brien, the chairman of the Democratic National Committee, that the ITT settlement was *"handled and negotiated exclusively"* by Mr. Richard McLaren, then head of the antitrust division. What we know from sworn testimony before the Judiciary Committee is that this simply isn't so; that Mr. Kleindienst himself played a considerable role; that the White House was thoroughly involved; and that as a consequence of what might be called massive outside intervention, Mr. McLaren was persuaded to abandon his publicly stated objective of forcing a Supreme Court test of the Clayton Act in the ITT case, and to settle it out of court.

We know that ITT president Harold Geneen sounded out the Secretaries of Treasury and Commerce, and the Chairman of the President's Council of Economic Advisers on administration antitrust policy and that subsequently ITT special counsel Lawrence E. Walsh wrote Mr. Kleindienst on April 16, 1971, urging that the government seek a delay of a Supreme Court hearing on the appeal of one of the three antitrust suits involving ITT and that Mr. Kleindienst acted to obtain the delay. We know that Mr. Walsh told Mr. Kleindienst in that letter that he thought the government was likely to win the case and that "it is our understanding that the Secretaries of Treasury and Commerce and the Chairman of the Council of Economic Advisers "have some view with respect to the question under consideration." We know that he asked for Mr. Kleindienst's help, pointing out that "ordinarily, I would have first seen Dick McLaren, but I understand that you, as acting A.G., *have already been consulted with respect to the ITT problem*" (emphasis added).

We know that about that time Mr. Kleindienst encountered Mr. John Ryan at a cocktail party and was urged by him to see ITT director Felix Rohaytn, with whom he met privately, and then took to a meeting with Mr. McLaren and other anti-

trust officials, which he sat in on—and that he had three subsequent meetings with Mr. Rohatyn. We know that all this puzzled Mr. McLaren mightily. "I don't see why ITT didn't come to me in the first place, instead of sending Rohatyn to seen Kleindienst—my door was always open," he said on a Face the Nation program last month. And we also know, of course, that Mr. McLaren asked the White House to recruit an outside adviser whose report on the ITT case had a significant influence on his decision to give up a court case which he was confident he would win and negotiate an out-of-court settlement.

There is more, of course. Mrs. Beard told the committee of a White House aide's conversation with her boss, Mr. William Merriam, which introduced the figure of $600,000 as ITT's contribution to the Republican cause and raised the possibility that some part of it would go directly to President Nixon's campaign. Since Mr. Geneen has admitted to only a $200,000 contribution and Senator Robert Dole has put the figure at $400,000, it would be interesting to clear up this discrepancy. So Mr. Merriman is an obvious witness and so is Lt. Gov. Ed Reinecke of California who first said he briefed Attorney Mitchell in May about the convention arrangements, and later said it was in September; either way this contradicts Mr. Mitchell's testimony that he knew nothing about it at the time the Senate hearings began last month.

We need to hear from White House aide Peter Flanigan who recruited the outside adviser, Mr. Richard Ramsden—and from Mr. Ramsden as well. Then there is Mrs. Beard's part-time secretary who says she typed a memo different from the one attributed by columnist Jack Anderson to Mrs. Beard, and also different from the memo which ITT has put forth as the one-and-only "genuine" memorandum from Mrs. Beard. The list runs on; it should include two former antitrust division economists who have vigorously criticized the handling of the ITT suit, and Rep. Bob Wilson who had a big hand in the convention arrangements, and Mr. Walsh, and Mr. Ryan, and Mr. Ed Gerrity, an ITT vice president in New York who seems to have had something to do with Mrs. Beard's various efforts on behalf of a favorable resolution of the ITT antitrust case.

Senator Mansfield may be right in saying that the case against Mr. Keindienst "has not been built." And the same may perhaps be said for the case against the administration's handling of the ITT affair, or for the case against ITT's role. But neither, in our view, has the full case been heard. To shut down this inquiry now would introduce a case of another sort, against the System, which could be far more shattering, at a time of shaken public confidence in out institutions, than any particular finding of fault against Mr. Kleindienst or the administration or ITT that might result from pressing on.